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ОРГАНИЗАЦИОННА ПРОМЯНА

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Резюме: През последните месеци, светът бе изправен пред безпрецедентна криза, причинена не само от икономически фактори, но и от много психологически, които произтичат от нарасналата несигурност и очаквания за бъдещето. Изискванията към съвременните лидери са огромни – не само да продължават да управляват организацията ефективно, но и да се справят с трудностите, които има всеки член на екипа. Във времена на несигурност, от ръководството се изисква да идентифицира ключовата промяна и да осигури функционирането на организационните процеси и бизнес операциите. Този доклад ще се фокусира върху предизвикателствата на днешната среда, които изискват от лидера да бъде аналитичен, иновативен и гъвкав. Той трябва да има способността да води организацията и хората през динамиката на бързо променящата се среда, като влияе на съпротивата срещу промяната. Докладът разглежда добрите практики в областта на организационните промени и упра-

ORGANIZATIONAL CHANGE

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Abstract: In the recent months, the world has faced an unprecedented crisis, caused not only by economic factors, but also by many psychological ones, which arise from uncertainty and expectations for the future. The requirements for modern leaders are huge – not only to continue to manage the organization effectively, but also to cope with the difficulties that each member of the team has. In times of uncertainty, management is required to identify the key change and ensure the functioning of organizational processes and business operations. This report will focus on the challenges of today's environment, which require the leader to be analytical, innovative and flexible. He must have the ability to lead the organization and people through the dynamics of a rapidly changing environment by influencing resistance to change. The report examines good practices in the field of organizational change and crisis management and provides specific recommendations for improving the efficiency and productivity of the organization.

влението на кризи и дава конкретни препоръки за подобряване на ефективността и продуктивността на организацията.

Ключови думи: управление на кризи, организационна промяна, лидерство, продуктивност, мотивация

Keywords: crisis management, organizational change, leadership, productivity, motivation

Introduction

Most of the modern organizations faces unprecedented challenges nowadays. The leaders and managers could learn many lessons in time of crisis. We have to say that we evaluate all crisis in terms of unexpected event where there is no protocol to follow. In the same time managing each organization requires long–term plan and goals and readiness for unexpected events. The successful leaders should think outside the box and try to be always one step ahead in time of uncertainty.

Our main focus is the belief that leading in crisis is a source of learning and development for each leader. If the leader manages to finds the proper way to resolve the complex problems the organization grow, develop and even become resilient. The expectation for the modern leaders is to be highly adaptive, flexible and open–minded. Being prepared ahead in time will help the leaders to avoid the unexpected situations as much as possible and develop decisiveness as one of the main leadership skills.

Most people resist change and when it becomes to organizational change the first step in the process of change management is to motivate and inspire others. Organizational leadership should be the driving force to bring the organization from where they are to where they should be. The concept of changing management is explained with process of which organizations and individuals are prepared for necessary changes and supporting all participants in the process. The first step is to motivate and inspire employees and after that to reframe all processes, procedures, job roles and responsibilities (Leyer, 2020).

According to Murphy (2016) there are three major levels of organizational change. Most employees would resist change, which means that the leadership of the companies should evaluate how people deal with the change and support them during the process. This is the **individual change** level. Pushing and rushing organizational change could be dangerous especially when employees are not prepared for the process. The leadership team should identify which new skills and knowledge will be important for the stage of the development of the organization. **Organizational change** identifies groups or individuals and train and coach them. The last **stage of the enterprise** change explains the company process as a whole. The overall process should follow the steps and the questions – why do we need change, where is the change taking us and how we will get there.

The modern era sets different challenges for most of the business organizations. Lawson (2013) believes that organizational leader could transform the company at three levels. The first level is related to the direct goal and outcome the organization can gain without changing the way people work and behave in the certain environment. The second level of complexity is associated with adjusting employees' practices and adopting new mind–set style. Adaptability and the ability to change organizational culture is becoming one of the most powerful leadership characteristics. The managers should change the organizational spirit rapidly – from reactive to proactive, from strict hierarchy to flat and lean structure.

At 1957 Festinger defines **the theory of cognitive dissonance**. The implication of his finding to the organizational context is associated with the believe in the common goal and organizational outcome. In order to feel comfortable with the organizational change and to feel optimistic and enthusiastic, people need to understand the role of their actions and how

they serve the bigger goal of the company. On the other hand, Skinner's theory about the importance of positive reinforcement at the work place. Organizational change of structure, management and operational processes should be consistent with the behavior people should rely on. When we set a goal and the new behavior is not reinforced the employees are most likely to avoid it. That's why organizations should implement coaching and learning practices for the junior members of the organization.

Modern management practices for motivation related to employee recognition programs, flexible working hours and bonus schemes. These practices emphasize the importance of various external motivational incentives – bonuses or rewards. A connecting link in the motivation of employees, which takes into account both individual needs and differences, and external incentives, is the so–called psychological ownership. Psychological ownership enhances organizational behavior and efforts beyond what is required by job description (Leyer, 2020).

It is the intrinsic motivation of the individual that has been the subject of research since the early 1970s. Internal motivation is formed as an internal need of the individual to seek new challenges, as well as to observe and gather knowledge (Vallerand, 2020). Intrinsic motivation is a natural motivational tendency and is a key element in cognitive, social, and physical development. The two main elements in this process are self–determination and increasing the level of acquired competence. The roots of behavior are related to internal causes, known as the internal locus of control, and individuals who engage in a behavior must feel that the task increases their knowledge, skills, and competence.

Usually, a person starts his career in need of meeting physiological needs, as well as adequate pay in the organization. Employees who do not have their basic needs met may be able to make their decisions based on pay levels and stability in the company (Hamdi, 2017). In this case, it is difficult to talk about long–term intrinsic motivation if these needs are not met. Once these basic needs are met, employees go to the level of meeting the need for belonging or the range of social needs of the individual to the organization.

Enriching job descriptions and developing a specific project are other methods that make the workflow more inspiring. Employee participation in the decision–making process in the organization is also an important approach to employee development. Last but not least, the achievements related to the job position, the external symbols of status – business cards, a separate office space, are another important part for the development of self–affirmation of the employee.

Nowadays, we can observe the expectation from the organization's management that people should implement and perform behavior without proper training and giving general instruction what they leaders from them. Kolb (1980) defines four stages that can enhance the adult learning process. He found that is difficult for the employees when can't learn only from instructions, but they need to adopt new information, practice and integrate it with the existing knowledge. The leaders should have the ability to break down the big projects into small chunks. This approach will help employees to have the time to reflect, experiment and integrate new principles.

Usually when we discuss organizational changes, we associated the process with **higher levels of stress** for all participants. Meanwhile, eustress is defined as healthy and positive stress (Debacker, 2000). The emphasis on positive organizational be-

havior is on the strengths of the organization, as well as on discovering the positive aspects of work and positive emotions in the workplace. This theory focuses on the positive emphases of the workplace and a healthy organizational climate. It is based on the way events are interpreted by man. People are motivated by eustress when they see opportunities, not problems and obstacles. In this sense, eustress is a healthy and positive motivating force for people who use its energy creatively.

Another successful leadership approach borrowed from professional sports, develops in a corporate environment and is aimed at creating the so–called **„corporate athletes“** (Heffes, 2020). The basic principles according to Loehr are energy management to find the balance in full engagement. In this sense, people are not activated by unmet needs, but are motivated by physical, emotional, mental, and spiritual energy. The role of the manager is to teach others how to manage their psychic energy and how to feel restored and renewed and to build positive motivation for work. Energy recovery is equally important, and even more important than energy consumption. This approach to the work environment is based on a balanced approach to the potential of the human body and energy and helps a person maintain a high level of efficiency and performance in an environment of increasing are labor requirements. This helps organizations with high levels of employee engagement and loyalty to remain stable even in uncertain economic times.

During the period of organizational change some employees highlight that they feel overwhelmed based on the importance of their position in the organizational hierarchy. The theory of justice is a procedural theory of the social exchange of motivation, which emphasizes the interaction between man and the environment. Unlike theories focused on internal needs, this theory is determined by social processes that influence motivation and behavior. According to Blau, exchange and power are key to understanding human behavior (Redman, 2015). Later, Etzioni created and defined three types of exchange relationships – **bound, calculated, and alienated engagement in the organihzation.** Bonded relationships are moral relationships with strong positive intensity, calculated relationships are characterized by weak positive or weak negative intensity, and alienated relationships are characterized by strong negative intensity. The theory of social exchange is perhaps the best way to understand the effort–reward relationship, as well as the meaning of equity in the workplace.

We truly believe, that the organizational change process should be managed constantly. The leadership should identify and investigate the levels of engagement and motivation of the employees. The calculated engagement is based on the idea of social exchange, as each side of the relationship requires certain things from the other and accordingly contributes to the exchange. Business partnerships and employment relationships are an example of calculated engagement. Both sides work well and benefit from what has been done. When certain conflicts in orientation appear, a negative orientation also appears. Single events can upset participants in the system they are in and move them toward competition (Ballinger, 2017). This model often explores the nature of the relationship between the individual and the organization that hired him. Each party in this exchange has expectations and demands on the other. These requirements can take the form of a specific goal, mission, job expectations, performance goal and feedback. Satisfaction of individual needs forms the

basis of expectations or requirements addressed by the organization to the person. Meeting the needs of each employee as well as a sense of belonging are important for healthy social exchange and membership in the organization.

In order to have successful organizational change, each party in the process must contribute with certain knowledge, skills and benefits to the satisfaction of the other. Employees can meet the requirements of the organization through various contributions through their skills, abilities, knowledge, dedication and commitment. By increasing their competencies, employees contribute more and more to the expectations of their organization. The organizations are also an active participant in the exchange and offer various initiatives and incentives to meet the requirements of their employees. These are the various material incentives provided, as well as status and social responsibility. It is in the common interest of the employee and the organization that the relationship is fair to both parties. Perceptions of social exchange are also based on the leadership style and organizational culture of the organization (Allwrigh, 2009).

According to Adams (1963), people analyses both their contributions to relationships and results, and the contribution of the organization. After this analysis, they calculate the contribution–result ratio, which is compared to a circumstance that embodies an idealized idea of justice. Difficult to measure characteristics such as emotional investment or job satisfaction are also measures of a sense of fairness. For example, gender inequality in certain positions or differences in norms between countries is a common theme. The main criticisms of Adams‘ theory have to do with the lack of a way to measure whether contributions such as effort and experience or certain outcomes are more important than an employee‘s degree or certification in a particular field.

If an injustice is found, according to Adams, one has the opportunity to apply several strategies:

- Change of own results;
- Change of own contributions;
- Change the results of the other party for comparison;
- Change the other side for comparison;
- Rationalization of inequality;
- Leaving the organizational situation.

A number of discussions of the theory of justice and social exchange have been formulated in contemporary literature. Huseman (1987) creates an interesting theoretical framework based on people‘s preferences for justice. He defines people‘s sensitivity to justice as preferences for justice based on an originally formulated theory. Research on organizational justice also has a long history, and according to research, a person‘s position in the organization influences self–imposed expectations for performance (Lewis, 1988). For example, climbing two levels in an organization without additional pay creates a higher self–imposed expectation of performance than climbing one level with moderate additional payment. At the same time, a two–level downgrade in the organization without a pay cut creates lower self–imposed performance expectations than a one–rate downgrade with a more modest pay cut.

As a conclusion we would like to highlight the huge impact of the leadership approach on the organizational development, growth and change. There are plenty of leadership theories which try to explain the nature of the leadership and to give suggestions for appropriate and successful leadership behavior. Change management is usually associated with disruptive and un-

expected event that threatens the organizations. The element of surprise and the shortage of decision time requires bunch of psychological characteristics of the modern leader. Crisis management is situation–based leadership and requires adaptability and flexibility. It is different from the concept of risk management where the leaders still have time to plan, evaluate and execute possible scenarios.

A change management mindset requires the ability to think ahead and predict the worse–case scenario and several solutions. We believe that contemporary world is highly–competitive and demanding. Organizations and employees should be prepared with rapid responses and execute them. The brand reputation of each company is influenced by their responses during change management situations. Last but not least we believe that leadership approach is setting the tone of communication, defining the organizational culture and setting mission and vision. The ability of the leaders to change, grow and be resilient build trust and enhance employees to follow the best scenario in time of uncertainty.

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